

TOKYO GAZETTE

A MONTHLY REPORT OF CURRENT POLICIES, OFFICIAL STATEMENTS AND STATISTICS

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The TOKYO GAZETTE is published monthly by the Tokyo Gazette Publishing House under the supervision of the Cabinet Information Bureau. Its purpose is primarily to supply information concerning the nature of problems being confronted today by the Japanese nation as a whole, and of the governmental steps being taken to solve these problems.

The material in the TOKYO GAZETTE is selected mainly from the *Weekly Report*, edited by the same Bureau. The accuracy and comprehensiveness of data presented in the *Report* are fully established. For the benefit of students of Japanese affairs, the TOKYO GAZETTE is endeavouring to maintain these qualities in the hope that its publication will eliminate unfortunate misunderstandings and thus contribute to world peace and international goodwill.

MOTION PICTURES IN JAPAN

CABINET INFORMATION BUREAU

RECENT progress in Japanese motion picture enterprises, particularly in production, is shown by the fact that of the raw films consumed in 1937, negatives totalled approximately 6,000,000 metres and positives 24,000,000 metres. The 18 major studios employ 5,000 persons, including actors and actresses. The enterprises are mostly in the hands of the Shochiku, Nippon Katsudo, Toho, Shinko Cinema and five other motion picture companies with an aggregate capitalization of 63,471,250 yen. These companies are engaged mainly in producing feature pictures.

Production of cultural films and newsreels has been extensive, particularly in connection with the present conflict with China. Cultural pictures, including educational, factual, scientific and documentary films, are being produced by the motion picture companies specializing in those types of films, as well as by the cultural picture departments of the afore-mentioned four major companies. The recently enacted Motion Picture Law, which will be fully explained later, will further stimulate activities along this line. It is expected under the provisions of the new law that such measures as the exhibition of cultural films by governmental designation will be carried out. As a matter of fact, the production of cultural films has increased more than five-fold during the past few years.

The most enormous strides during the two years of the China Affair, however, have been made in the production of newsreels, which is exclusively undertaken by the Asahi, Nichi Nichi and Yomiuri, leading Japanese daily newspapers, and the Domei news agency. Their cameramen active on the China front today number 60 or more. These companies each produce at least one reel a week. When special events occur, they put out extras. The popularity of newsreels is shown by the fact that scores of theatres, exhibiting only newsreels and short features have sprung up since the outbreak of the present hostilities.

Nevertheless, dramatic films continue to lead in popularity. The number of reels produced in this field during 1938 amounted to 554, of which 386 were talkies, 127 explanatory films (so-called neo-super talkies), 16 sound films (music without dialogue), and 25 silent films. The production of silent films has decreased greatly in

recent years with the increase of equipment for producing and exhibiting talking pictures. The annual production of 500 to 600 pictures places Japan first, in terms of the number of reels, in the world production of fiction and dramatic pictures.

Distribution of Films

Another important phase of motion picture enterprise is the distribution of films. In Japan this is undertaken largely by the producers themselves who have theatres under their own management or working contracts with independent exhibitors. Thus they distribute their own products directly to almost 90 per cent of the 1,864 theatres throughout the country. In the past, only a part of the first run theatres were managed directly by the producers, but the recent advance of the Toho Motion Picture Company, a new concern, created keen competition among producers and they scrambled to bring independent theatres under their control.

With regard to imported films, the number distributed in 1937 was approximately 800, of which full length feature pictures accounted for about 300. In consequence of import restrictions imposed following the outbreak of the China Affair, however, the number decreased to 144 in 1938. Of these, films from America totalled 103, from France 10, from Germany 13, from England 12, from Italy three, from Poland, Spain and one other country, one each.

Distribution of the American films is handled by American companies through their branches in Japan. The number of American films distributed in 1938, classified according to producers, was as follows: Paramount 10, Metro Goldwyn Mayer 16, Universal six, R. K. O. 18, Columbia 20, United Artists eight, Warner Brothers seven and Fox Movietone nine. The distribution of European films is made by Japanese agents, such as Towa Commercial and Sanei. As compared with those from America, pictures from Europe are insignificant in number.

Although films are produced in Japan in great quantity, they have been exported only to Japanese residents in Manchoukuo, China and America. This is due in a large measure no doubt to the differences in language, manners and customs. But this is not the only reason. Because productive capacities are strained, many films of inferior quality have been turned out. Only recently such Japanese films, as *The Five Patrol Soldiers*, *The Children in the Wind*, and *The Road to Peace in the Orient*, have come to receive recognition in Europe. If enforcement of the Motion Picture Law will result in further improvement in the quality of Japanese films,

they no doubt will find greater demand in foreign countries.

Exhibition of Pictures

According to an investigation completed on February 20, 1938, there were 1,765 motion picture theatres in Japan, of which about 50 per cent were situated in the seven major prefectures of Tokyo with 267, Osaka with 200, Fukuoka 98, Hyogo 83, Kanagawa 74, Aichi 67, and Kyoto 63. The statistics reveal that there is one theatre for every 40,000 of population. When the urban and rural populations are compared with respect to the per theatre population, however, the latter is extremely small.

In 1937, paid admissions in theatres numbered more than 200,000,000, a considerable increase over the previous year. This does not include the free movies sponsored by Government institutions, schools and newspaper companies for purposes of propaganda, education and entertainment. The utilization of the screen for conveying messages to the public has been increasing year by year. In 1937, as many as 50,000 free shows were put on throughout the country.

Utility of Motion Pictures for Educational Purposes

Utilization of motion pictures long has been considered as a means for social and scholastic education. Accordingly, the Department of Education as early as 1920 started selecting and recommending good pictures from the run of the mill production on the basis of investigations. As it was found that only a few films were suitable for educational purposes, the Department itself undertook the production of motion pictures in 1923, inaugurating at the same time a system for the distribution and lending of films and establishing institutes for technical training in motion picture production. Thus it has provided facilities for those desirous of using motion pictures for educational purposes. Films produced by the Department of Education since 1923 number 224, in 456 reels. These include pictures concerning the Imperial Household, films for the promotion of moral, hygienic and physical culture, dissemination of popular scientific education and pictures for documentary purposes. Furthermore, in view of the fact that the use and purpose of motion pictures has shown a tendency to differentiate, the educational authorities are extending their attention to the production of films for children, as teaching material and for other purposes.

Utilization of motion pictures by Government institutions, various organizations and newspaper publishers long has been practised. They were used at first not only for educational and propaganda purposes, but also for amusement and recreation. With the popularization of this use of motion pictures, however, they have come to assume a unique position as an important means of education, propaganda and information. In 1937, educational pictures were exhibited approximately 50,000 times for the benefit of audiences totalling some 400,000,000.

Use of educational films in schools became widespread and active several years ago. In the early stages, utilization of such films was undertaken to discourage school children from going to regular movie theatres to see pictures suitable only for adults. They are used today not only as a means of guidance for immature emotions but also as a supplementary means of furnishing educational material. The number of primary schools using educational films is approximately 4,000, and of high schools the number is approximately 800. They are increasing yearly. Of these schools, about 60 per cent have their own projectors and screens.

The films used in school education are produced by the Tokyo Nichi Nichi and other newspapers as well as by other producers of educational films. Aside from the 35 millimetre films, those of 16 millimetres also are used very widely in primary schools.

Distribution of Educational Films

Educational films are distributed by local leagues organized throughout the country with schools and educational organizations as their members. As their national organization, the Central Association for Promotion of Education through Moving Pictures was organized in March, 1937. The purpose of this Central Association is to give guidance and assistance, to distribute films and supply information pertaining to them, to give suggestions and advice regarding equipment, and to publish literature on education through motion pictures. There is also an agency of similar nature, known as the League for Film Circulation among Schools, which is sponsored by the Tokyo Nichi Nichi and Osaka Mainichi and which is extending its activities throughout the country with primary schools as its members.

Some of Best Pictures

The standards of motion picture excellence in Japan are based on

two considerations. The first is recognition by the critics on the basis of their artistic merits; the second is their box office appeal. These qualities often do not coincide in other countries and they rarely do in Japan. The pictures that are supported by the critics and the intelligentsia on the whole are qualitatively excellent productions, but those which captivate the minds of the populace are not generally of high artistic quality. They merely are the best films in terms of commercial value.

Among the qualitative films produced in recent years are *Five Patrol Soldiers*, *Stones by the Wayside*, *The Theatre of Human Life*, *The Earth*, *Sobo*, (a story of emigrants to South America), *The Abe Family*, *The Bush-Warbler*, *The Children in the Wind*, and *The Four Seasons of Children*. Among those which have been great box office hits, are *Chushingura* (the Tale of the Forty-seven Ronin) and *Aisenkatsura*, a romance connected with a Japanese Judastree.

Tracing the historical development of the Japanese motion picture industry, it is seen that it started with adaptations of stage dramas. In the history of Japanese movies there has been constant conflict between realism and romanticism. For this reason historical films have constituted the main current. These films, in portraying past events, have aimed only at mass appeal, however, rather than the illumination of the realistic aspects of life.

Among the film producers of Japan, however, there has been a growing consciousness in recent years that they must strive for realism, subordinating other themes to the actual happenings in human life. As this can be expressed more strongly in modern pictures than in historical documentary sequences, the former have become predominant in the past two or three years. This trend is shown by the fact that almost all of the pictures acclaimed by the critics and the public mentioned above are modern.

The fundamental cause for this tendency undoubtedly is the effect of the China Affair upon the daily life of the Japanese people. When people give serious thought to a deeply significant era in their lives, they naturally reject melodrama and develop a tendency to look at the things around them with intense gravity, to ascertain their real meaning. This has happened to the Japanese as a result of the present conflict. This attitude is responsible for production of *The Five Patrol Soldiers* and *The Earth*. When this feeling becomes more deeply ingrained there certainly will be developed even loftier pictures expressing the true ideals and spirit of the Japanese people.

Under the influence of the current emergency, there have appeared many policy films of the hour, of a melodramatic nature. But being devoid of realistic elements, such films with only one or two excep-

tions, have not been successful from either artistic or business points of view.

Governmental Measures

In the early stages of motion picture development, practically no attention was paid to the social significance of movie entertainment. With the passing of the years, however, foreign films have been imported, theatres have blossomed out all over the country and movie fare has become an extremely popular dish. The movie mania developed principally among the youth of the land and the undesirable influence of questionable films upon them became quite alarming. To check such evil effects, thinking educators stirred up strong public opinion, energetically voicing the necessity for immediately taking counter measures. As a result, an order was issued in 1917 by the Metropolitan Police Board of Tokyo barring boys and girls under 15 years of age from theatres. At the same time, the Department of Education adopted standards for the movie industry to follow, offering prizes for good pictures as an added inducement.

It was only in March of this year, however, that the Imperial Diet enacted the Motion Picture Law (promulgated on April 4 and to be enforced from October 1), as the first fundamental measure to be taken in this connection in full recognition of the important part played by motion pictures in popular entertainment, moral education, information and propaganda. As has been explained previously, this measure is expected to promote the healthy growth of the Japanese motion picture industry in all its phases, and to contribute thereby to the development of national culture. The essential points of the Law are as follows :

On Production of Films

1. *Putting Film Production Enterprises on a Licence Basis*

This is to control and eliminate the careless establishment of production enterprises, to further their harmonious development, to prevent the manufacture of low-grade films and bring about their advancement in quality.

2. *Registration of Those Engaged in Production*

In order to accomplish the qualitative improvement of films, it is essential that the workers employed in their production should have good character and professional abilities. Hence the aim of this

provision is to register only those able to meet certain specified qualifications. Persons required to register include directors, actors and cameramen.

3. Restrictions on Ages and Working Hours of Employees, Construction and Equipment of Studios, and Storage and Transportation of Films

The object of this provision is to protect the employees in their health and morals, and against injuries. Restrictions therefore are placed upon their ages and working hours and on the construction and equipment of studios, with a view to enhancing safety. Moreover, the matter of storing and transporting films is to be regulated in accordance with fire-prevention measures.

4. Preliminary Censorship

As only finished films have been censored in the past, producers often have suffered losses through the suppression in whole or part of objectionable films. To prevent such unnecessary losses in the future, scenarios are to be submitted for approval in advance of production.

5. Restrictions on Production

To improve the quality of films, and from the point of view of economy, production is to be placed under appropriate regulation.

6. Prizes for Superior Films

This measure hitherto has been practised by the Department of Education and other public organizations. It is now incorporated in the Motion Picture Law. The system aims to encourage the production of superior films in Japan, and of course does not apply to foreign films.

On Distribution of Motion Pictures

1. Distribution under Licence System

In view of the importance of the distribution phase of the film industry, it likewise is to be conducted on a licence basis.

2. Designated Distribution of Films

When necessary, the distribution of films shall be designated by the Government.

3. Restrictions on Importation of Foreign Films

Prior to the China Affair, foreign films were imported freely.

It has been necessary since to place considerable restrictions on their importation, however, in view of the international balance of payments. Restrictions also are held necessary to exclude films which portray manners, customs and ideology which might have an undesirable influence on Japanese national life.

4. Inspection of Films for Export

It is provided in the Law that all the films which may impair the dignity of the Imperial Household, injure the prestige of the Japanese Empire, cause offence to other countries, misrepresent Japanese life, or have an inimical effect on important political, economic and other interests, shall be considered unqualified for export and all films or portions thereof that are considered objectionable shall be confiscated by the Government. Moreover, films which have passed censorship shall lose their validity unless exported within a year.

On the Exhibition of Pictures

1. Censorship

Censorship of motion pictures has been unified under the Regulations for the Censorship of Motion Picture Films (Ordinance No. 10 of the Department of Home Affairs, issued in 1925). Similar provisions are prescribed in the present Law.

2. Licence System for Motion Picture Theatres and Regulations Governing Their Equipment

The number of motion picture theatres in Japan in proportion to the total population is exceedingly small by comparison with those in other countries. They are unevenly situated, however, by reason of which there are too many in some places and too few in other localities. To correct these defects and ensure eventual uniformity of theatres in accordance with population, the new Law requires licences for the establishment or construction of theatres.

To safeguard against fire and earthquake disasters, construction of theatres and installation of equipment must conform with safety regulations.

3. Exhibition of Designated Pictures

It is stipulated that pictures recognized as highly effective in the moral education and guidance of the people shall be designated for exhibition. In such cases, the admission tax may be reduced or removed entirely. The showing of designated pictures is designed to give the audiences spiritual and intellectual uplift, while providing

them with wholesome entertainment.

4. *Restrictions on Foreign Pictures*

Lovers of foreign films are found mostly in the urban districts, and the theatres making a speciality of such films are reaching a considerable number. The effects of foreign pictures on the thought, life and manners of the people are not always wholesome. To eliminate such undesirable influences, as well as to protect and promote Japanese films, certain restrictions are placed upon the number of foreign films to be imported.

5. *Restrictions on the Admission of Minors*

As the influence of motion pictures on young persons was considered harmful, they were prohibited from attending movies by the Metropolitan Police Board in 1917, as stated before. This order was lifted two years later. Since then, schools and other institutions have prohibited young boys and girls from attending the regular movie theatres. In the present Law, careful regulations are provided to ensure that those of tender years are given the proper movie fare. These are designed to make the best use of movie facilities for the education and culture of the young. Officials of the Department of Education will select from among ordinary films those appropriate for minors and arrange special programmes to be exhibited at specified times for them.

4. *Other Provisions*

A Motion Picture Commission will be established to make recommendations to the competent Ministers on important matters concerning the enforcement of the Motion Picture Law. It is expected that the Motion Picture Association of Japan, organized in 1935, will attend to the actual enforcement of the Law, keeping in close touch with the motion picture interests. This Association is composed of Government officials concerned and representatives of private interests, and has been active in the supervision and promotion of motion picture enterprises.

In view of the fact that the purpose of the Law, in its effort to make a contribution toward the furtherance of national culture, is to stimulate the qualitative development of domestic films and to promote the healthy growth of the industry, it should not cause suppression and stagnation of the movie enterprises in the name of national control. Accordingly, control will be practically the same as heretofore and will be exercised only in the hope of keeping the industry in line with the main purpose of the Law.

Thus the coming into operation of the new Law will certainly mark an epoch in the history of Japanese motion picture enterprise, which will assume growing importance not only as a means of social education but also as an instrument of national policy, particularly in the face of current serious developments in world affairs.

SHIPPING IN THE CURRENT EMERGENCY

DEPARTMENT OF COMMUNICATIONS

JAPAN at the present time is devoting her entire energy, in every phase of national life, to the historic task of establishing a new order in East Asia. All her industrial activities are directed toward the achievement of this single purpose. Needless to say, shipping is bearing its share in this great national work.

The main function of the merchant marine is to carry on overseas trade, acquire foreign currency in the form of revenue from freight and passenger services, and act as an auxiliary force in national defence. Shipping is an essential factor in the nation's economic expansion, and in time of war its rôle assumes tremendous importance. It is therefore necessary that pertinent control and supervision should be exercised over the shipping industry so that it may fulfil its function for the attainment of the ultimate national purposes.

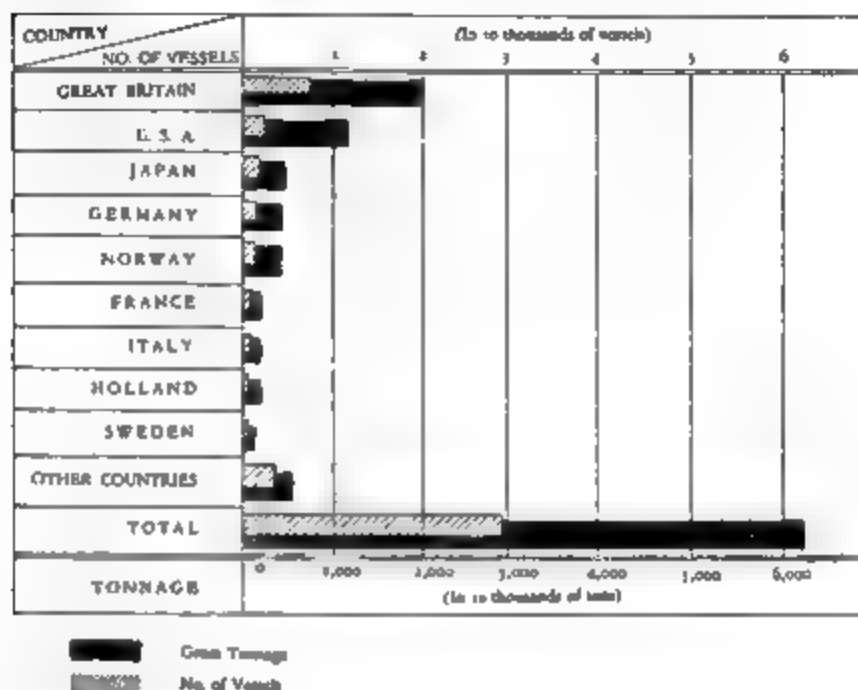
Some of the important governmental measures in this respect are outlined below.

Promulgation of the Temporary Shipping Control Law

Since the Meiji Restoration (1868), Japan has made such rapid strides in marine transportation that it now ranks third among the world maritime Powers. Only Great Britain and the United States possess larger fleets. Various promotional measures adopted by the Government have stimulated the shipping interests to such an extent that they have been viewed with alarm by other maritime Powers. With the outbreak of the China Affair, the shipping concerns promptly put dozens of fine vessels at the disposal of the Government for military purposes. On the other hand they contributed to the maintenance and development of industries and the stabilization of national life by smoothly handling the transport of commodities. When we remember that during the two previous wars with China and Russia, Japan suffered from an acute dearth of bottoms for even military purposes and barely managed to meet the pressing need by chartering foreign vessels, we cannot but marvel at the phenomenal progress of Japanese shipping in recent years.

MERCHANT FLEETS OF THE WORLD

(This Chart is based on figures, as of June 30, 1938, in Lloyd's Register of Shipping and covers all vessels of 100 tons or over.)



In ordinary times, however, it is difficult to keep in reserve sufficient vessels to meet an extreme emergency. Under wartime conditions, the sudden growth of the shipping system is likely to result in the unbalanced assignment of vessels, with attendant hitches in the supply and demand of shipping space, and steep rises in freight and charter rates, often bringing confusion to the whole shipping world. With a wartime emergency at hand, the Government promulgated the Temporary Shipping Control Law in September, 1937. The Law is designed to regulate the transport of important commodities, adjust freight prices properly, and maintain navigation rights in foreign waters.

Control of Freightage and Vessels

Since shipping charges form an integral factor in determining commodity prices, outright profiteering on the part of shipowners and shipping concerns must be checked in line with the general price

reduction policy now preoccupying the Government. The Temporary Shipping Control Law was enacted with this object in view. It is fully recognized, however, that control over an industry of as complex and manifold a nature as shipping is extremely difficult; and if, under Government supervision, perfect regulation is effected autonomously by the shipping interests, it will make for the smooth operation of the necessary measures with due consideration for their actual conditions, without hampering the growth and development of the enterprise as a whole. The leading shipping concerns in Japan, therefore, organized the Voluntary Shipping Control Union immediately following the outbreak of the China Affair, carrying out commendable self-regulation. The members of the union gradually increased in number, until in April last year it developed into the Voluntary Shipping Control Committee, including almost all the influential shipping concerns in Japan.

Under the guidance of the Government, the committee fixed standard rates for freight and charter services, which have been enforced strictly and which since have been reduced several times. With freight and charter rates thus regulated, the emergency situation also required measures to bring the marine service into full play in the transportation of important commodities. With the China Affair entering upon a constructive phase for the creation of a new Asiatic order, the ore and coal traffic in Far Eastern waters has become extraordinarily active, taking precedence over the transportation of less important materials. This naturally has given rise to the necessity of adjusting the supply and demand of bottoms essential for carrying out the commodity mobilization programme, expansion of productive power, and other economic policies. It is of unqualified necessity to transport the required quantities of certain commodities and materials to appointed places within specified time limits, which means that definite plans for the supply of bottoms must be formulated and carried out. Shipping control therefore has taken a second important step and steamship companies now are called upon to play their part in both price and supply control, at the same time using their reserve strength for the expansion of overseas business. Thus the outstanding feature of the shipping industry in Japan is that the system of voluntary control is shifting to cooperative control by the Government and civil interests.

Expansion of Tonnage

At the end of June, of 1936, just before the outbreak of the China

Affair, the Japanese merchant marine consisted of 1,936 vessels of more than 100 tons, totalling 4,382,884 tons. One year later, the aggregate tonnage amounted to more than 5,000,000 tons, and at the end of June this year the figures rose to 5,555,801 tons. This means an increase of 400 vessels with a total displacement of 1,200,000 tons during the two years of war.

NUMBER OF VESSELS REGISTERED IN JAPAN PROPER
CLASSIFIED ACCORDING TO TONNAGE

End of Year	50 Tons & Upwards	100 Tons & Upwards	500 Tons & Upwards	1,000 Tons & Upwards	1,000 Tons & Upwards	5,000 Tons & Upwards	10,000 Tons & Upwards	Total
1934	1,748	571	100	349	156	141	20	3,365
1935	1,784	617	208	350	157	146	19	3,471
1936	1,842	666	210	361	147	156	20	3,502
1937	1,875	690	216	381	174	179	22	3,737

This would represent a substantial increase for the short period of two years even in normal times but it is particularly significant as a wartime development. In keeping with the Government's policy of expanding facilities, the shipowners are rushing the construction of more vessels for both regular and tramp services. This of course is motivated by the conviction that the Japanese merchant marine should take the lead in trade between Japan, China and Manchoukuo, and between the tripartite yen bloc and other countries. The Government is contemplating measures to encourage this trend. It is regrettable, however, that difficulties are being encountered in obtaining the enormous quantities of materials required for building new ships, causing delays in construction work. As a step to overcome these difficulties, the council for inquiry and consultation on the supply and demand of ships' stores has been formed and is cooperating with those connected with the shipping industry for the purpose of adjusting the supply of materials. On the other hand, in order to lower the cost of shipbuilding, the Government is encouraging joint ordering of materials, simplification and standardization of materials, as well as selection of standard types for vessels, simplification of designs and speeding up of construction work.

Training of Seamen

The recent expansion of shipbuilding and the extension of services have greatly increased the demand for seamen. To cope with this, the Government has taken emergency measures with regard to the training of officers by ordering shorter courses, training sailors for

small-sized vessels, and expanding seamen's employment agencies for recruiting new hands on a large scale.

Positive Measures for Promoting Shipping

As stated in the foregoing pages, various shipping measures have been carried out to meet pressing needs arising from the present extraordinary situation, but in order to make shipping activities contribute to the satisfactory operation of national economy, it is essential to take not only passive measures against the emergency, but also more positive steps, such as promotion of the construction of superior-type vessels at lower cost, extension of navigation rights, and readjustment of the marine traffic system. With this end in view, the Government submitted the following three bills to the 74th Diet last winter and obtained its approval.

SHIPBUILDING IN THE WORLD

(This is compiled from Lloyd's Register of Shipping and covers all vessels of 100 tons or over.)

COUNTRY	No. of Vessels		Tonnage	
	1937	1947	1937	1947
Japan (proper)	180	39	431,121	41,339
Great Britain	347	400	934,702	1,236,183
Germany	174	101	433,606	239,622
U. S. A.	123	66	239,443	179,218
Holland	112	68	183,309	119,790
Sweden	38	13	161,008	67,361
Denmark	26	30	131,411	72,038
Norway	38	12	41,993	3,363
France	9	22	26,344	44,331
Italy	6	23	21,918	201,076
Belgium	27	8	17,071	4,693
Other Countries	31	39	46,232	103,701
Total	1,101	802	2,690,180	2,283,679

1. Law Concerning Subsidies and Indemnities for Shipbuilding Loans

To facilitate the supply of funds is the foremost requisite for the promotion of any industry. In the measures for financing shipbuilding, Japan is still in a backward state. The necessity for financial institutions for this purpose has long been recognized, and since 1930 the Government has been granting subsidies as extraordinary disbursements out of the Treasury to financial institutions accommodating such loans at low interest rates. But the measure has

been found deficient in view of the rapid growth of Japanese shipping.

The new law is designed to cultivate the root of the shipping industry to stimulate its healthy growth by enabling the shipping concerns to build more vessels with ample and low-interest funds under definite programmes. Under the law, the Government can enter into contract with financial institutions to grant subsidies for shipbuilding loans within the limit approved by the Diet, and guarantee up to 70 per cent of such loans in case loss is incurred.

2. Shipbuilding Industry Law

Owing to the strenuous efforts of shipbuilders and to the protective and promotional measures adopted by the Government, directly or indirectly, the shipbuilding industry in Japan has been making remarkable progress, and in respect of capacity and technical skill Japan today ranks high among the shipbuilding countries of the world. But closer investigation into its history and existing condition will reveal that there is still room for improvement in this industry.

Firstly, shipbuilding is acutely affected by the vicissitudes of shipping, wherefore it lacks stability in management. This is a serious drawback in view of the necessity for maintaining building capacity in a time of emergency, as well as from the standpoint of technical advance. Secondly, as a composite industry, shipbuilding in Japan is not well regulated; especially the productive capacities of dockyards. Third, although the technical angle of Japanese shipbuilding has reached the level of leading shipbuilding Powers of the world, it still is lacking in creative ability, and the charges paid for the use of foreign patents amount to enormous figures every year. In the fourth place there is no positive measure in operation for reducing the cost of ship construction, which is higher than in other countries. Responsible for this may be the recent rise in the prices of materials and various other circumstances, but it is of urgent necessity to take remedial steps in this direction.

The Shipbuilding Law has been enacted with a view to remedying these deficiencies in the industry and also to promote the expansion of the Japanese merchant fleet. Its main points may be summarized as follows:

(a) Shipbuilding has been made an enterprise to be carried on under licence, subject to Government control and supervision.

(b) Shipbuilders are accorded facilities for expropriation and use of land, so that their productive capacity may be expanded.

(c) To encourage the improvement of technical skill, the construction of superior-type vessels and reduction in shipbuilding costs, provisions are made for granting aids for trial manufacture, encouraging the use of domestic materials, conducting propulsion tests, and unifying gauges.

(d) In order to strengthen the foundation for management, provisions are enacted for the compulsory redemption of liabilities involving shipbuilding equipment, while on the other hand the Government grants subsidies to shipowners for the construction of vessels, with the object of maintaining or relieving the industry in its lean days.

(e) To stimulate development of the industry by self-regulation and co-operation among shipbuilders, provision has been made for organization of the shipbuilding association.

3. Shipping Association Law

To properly control an industry as complex as shipping is extremely difficult and requires an organization well disciplined and powerful enough to enforce regulation and coordination. The existing organizations leave much to be desired in this respect. Their nature and structure are such as could be thrown into disorder easily by a few outsiders. The new legislation is intended to make possible the creation of more powerful organizations in the shipping industry. Under provisions of the Law, not only shipping concerns and owners of vessels for charter, but shipping brokers and others engaged in trades affiliated with the industry are entitled to form their respective associations, so that they may cooperate with one another for the healthy growth of the industry. The main object of the association, of course, lies in control over the industry, such as regulating freight and charter rates, but in addition it may carry on activities calculated to promote the common interest of the members, such as joint purchases of fuel and ship's stores and joint programmes for the construction of vessels. As a rule the establishment of such associations is voluntary, although the Government may order the organization of one if it deems it necessary. When the association is thrown into disorder by outsiders, the Government can force them to join associations. There also is a provision that not only members, but non-members as well, sometimes may be ordered to observe association rulings. Beyond and above this, the Government wields a wide range of supervisory authority with regard to the establishment, dissolution, alteration of articles, and general activities of shipping

associations.

The above three laws theoretically are separate, but essentially they are closely related, forming the statute designed for the coordination and development of Japanese shipping

Inauguration of East Asia Shipping Company

The China Affair charged Japanese shipping with another important task—the establishment of a complete system of marine transport service in East Asia. In order to create the new order in East Asia, it is recognized that an economic combination must be formed between Japan, China, and Manchoukuo, based on the spirit of mutual aid and co-existence. Since China possesses no merchant marine of her own to speak of, Japanese shipping must assume this responsibility for China. On the other hand, with the rapid growth of her own shipping in recent years, Japan has limited her protective and promotional measures for her shipping interests mostly to ocean services. Especially since the Great War, the network of Japan's steamship lines has been expanded over the seven seas, while comparatively negative efforts have been made for the expansion of navigation rights in Far Eastern waters. The outbreak of the current emergency has enhanced the importance of Japanese activity in East Asiatic seas and has given rise to the necessity of reorganizing Japanese shipping, in line with the new economic structure in this part of the world.

It therefore is significant that on August 5 of this year, various Japanese shipping concerns established the East Asia Shipping Company, pooling their respective lines in Chinese waters, which heretofore had been in competition with one another. The new company is capitalized at 73,000,000 yen, with the aggregate tonnage of its fleet amounting to 200,000 tons. It will operate mainly between Japan and China, and along the Chinese coast together with the Japan Sea Shipping Company, another concern shortly to be founded for the development of steamship service between Japan and Manchoukuo, thus undertaking the unification of Japanese shipping in East Asia.

INSTITUTE FOR TESTING VOCATIONAL ABILITIES

(PREPARED BY THE CABINET INFORMATION BUREAU FROM THE REPORT OF THE INSTITUTE FOR TESTING VOCATIONAL ABILITIES)

THE Institute for Testing Vocational Abilities, Department of Welfare, of which the newspapers have been reporting frequently since last summer, started functioning on July 29.

The work of the Institute for the present is confined to studying the methods of determining the vocational abilities¹ of those required in the National Registration and to formulating questions for testing. The questions prepared by the institute are sent to prefectural governments, where 80 newly assigned technical experts and assistant technicians conduct these tests in local industrial plants with the cooperation of the experts in their employ. Japan is probably the first country in the world to conduct such a systematic and scientific vocational survey on a national scale.

Of course it is to be remembered that in 1918, when the United States took part in the Great War, she made trade tests of 125,000 soldiers enlisted in 21 barracks, and sent them to Europe with very satisfactory results. And also since 1928, the Hungarian Government has been conducting a very simple and practical trade investigation in Budapest in accordance with national legislation. But the former did not embrace the entire working classes and the nature of the tests was by no means comprehensive; while the latter is not scientific, in the strict sense, particularly as regards formulating test questions.

Methods of the Test

The method of testing vocational abilities which is being contemplated by the Japanese institute involves two stages, primary and secondary. In the national registration carried out since January 20, the standard of reporting the degree of vocational abilities has been given, and the employer and employee jointly report according to this standard. Through this initial report, it is possible to examine the vocational abilities of several million persons collectively, but in many respects this is inadequate. Since it is not feasible to classify the aptitude of

¹ See, for reference, an article entitled "Registration of Vocational Abilities" which appeared in the March (1939) number of TOKYO GAZETTE.

workers according to this report alone, in the primary appraisal the evaluation of vocational abilities by the "formula of computing vocational abilities" also is taken into consideration. These formulae are prepared separately for each individual vocation. For instance, in adopting a formula to compute the vocational abilities of turners, the English and American standards are taken into account, as well as the types and sizes of the machines used. To work out a single formula, investigations are made through card reports of thousands of factory hands in each locality. On these cards are listed the kind of work, type and size of machine used, age of the person reporting, experience and wage, as well as marks denoting the degree of skill. From the average computed from these many thousand reports, graphs are drawn concerning the relations between the number of years of experience and the degree of skill. From these graphs, standard formulae are prepared conforming to statistological computation.

Tables based thereon are sent to the employment bureaus, so that even those not versed in mathematics are able to rate their abilities accurately. Using these tables, local employment bureaus weigh the respective vocational abilities of registered workers according to items, such as the number of years of experience, which are found on the national registration cards at these employment agencies.

Classification of vocational abilities is made for the first time when this computation and the report of the employer and employee, mentioned before, correspond. If these two do not conform, a secondary appraisal is made in an effort to reconcile the gap between the two.

This secondary appraisal is made chiefly on the basis of actual work tests. When necessary, however, an oral or a written examination also is given the person concerned. This method of appraisal again is in two parts, the investigation of the employee's attitude toward his work and the investigation of his skill.

In the former case, the following points are ascertained: Does the examinee take a personal interest in the quality of his work, or does his interest lie only in the compensation he will receive when his task is finished? Does he think only of himself or does he have a larger outlook, taking into consideration his group, factory, company, country, East Asia, or mankind? Does he give full scope to his individuality while taking the viewpoint of the whole? This investigation aims to appraise by objective observations such as by "the method of systematic survey and by written and other tests. Since the worker's attitude toward his job has a great bearing on the efficiency of his work, as has been established objectively as well as theoretically, this relationship is given increased attention, not only in Germany and America, but also in progressive industrial plants in Japan.

The skill of the person concerned also is determined through primary and secondary examinations. In the secondary investigation, the degree of expertness is tested, while in the primary investigation the creative and synthetic ability is ascertained.

Hitherto technical ability has been considered as purely mechanical, but recently the creative element involved has come to be greatly stressed. The problem of trained workers, which has come to the fore under the current emergency, is in reality the question of lack of technically skilled men with creative and synthetic abilities. In other words, experts able to discover and repair defective machinery, read complicated charts, and cope with other technical intricacies, had been imported along with the machines. But lately it has become impossible to bring in foreign technicians, with the result that at this time of the shortage of materials, great piles of bitches are thrown out of factories, and in this time of emergency when shortage of machines is keenly felt, many practically new machines are left in hidden corners of factories only because there are none who are able to repair them. The purpose of the primary investigation of the skill of workers is to discover this type of ability wherever it lies latent. Such an investigation, as well as the first appraisal, was not included in the trade test made in America, of which mention is made elsewhere.

The secondary examination is applied to all those whose abilities are left in doubt because of discrepancies between the results of two types of appraisal, the computation and the reporting. Grades A, B, C, are given in this examination. The primary is given only to those who received grade A, and on account of shortage of budget only to those of this grade is the examination of their attitude toward work applied.

If the person concerned passes both the primary examination and that concerning his working attitude, he is classified as having first grade ability. Those unable to pass these two examinations, and those coming under grade B in the secondary examinations belong to the second grade ability. Those receiving grade C in the secondary examination are in the class of third grade ability. Ways to re-classify those who wish to be re-appraised and re-examined are now being considered.

Although it is most desirous to make a thorough check of the abilities of the millions of workers at the outset, it was necessary to confine the examination to the limits of the first appraisal, because of lack of time and funds. To make a swift and accurate examination, the fast motion picture of working movement is utilized, though this entails great expense. This method enables the investigator to study the abilities of the subject without having the latter work for several hours, and in

many cases without his knowledge. It is said that his working ability can be appraised at a glance by the investigator's perception, which is scientifically analysed. For this purpose, a dark room 6x78 feet called "the observation corridor" has been built in the working room of the institute.

The working room mentioned above is equipped with lathes (six feet Anglo-American style and 12 feet English style), milling machine No. 2, universal grinder, six feet level planing board, 20 inch planing board for shaping, turret No. 2 (for checking and working, with adapter). These machines are used exclusively for ascertaining the abilities of workers. It is impossible to go into details of the testing in this report, but to explain it in a few words, it means to put into practical operation the formula developed by having typical workers use standard machinery. These testing questions are, of course, carefully formulated theoretically by a subcommittee on testing questions applicable to various vocations. This is a committee of more than 10 experts, including several persons commissioned from among the members of the Technical Committee of National Registration and from among the foreman's class of various factories, besides the technical experts and assistant technical experts in the Department of Welfare.

Careful methods are prepared, as can be seen above, and this Institute for Testing Vocational Abilities is looked upon with great interest and expectation from all quarters, not only as an institute to classify vocational abilities, but also as a scientific research laboratory of industrial abilities.

Cultural Significance of the Test

Investigation of vocational ability has been started primarily in connection with National Registration, but it will have great significance and value in various other fields as well. For this test can be used in passive terms for the collection of workers and for the prevention of competition in the acquisition of workers, and in active terms can be used for scientific planning in training skilled workers. And again it will revolutionize the life of wage-conscious workers, turning their attention to their technique and giving them a chance to improve their skill. Finally it will accelerate the readjustment of relations between capital and labour, which is so uselessly antithetical and conflicting.

CIVIL AVIATION IN JAPAN

BOARD OF AVIATION

THE interest of the Japanese people in aviation has been stimulated to a great extent by the impressive victories of the Imperial Army and Navy air forces in China during the past two years and by recent successful goodwill flights of Japanese airmen to Europe, Thailand (Siam) and Iran.

The importance of civil aviation is increasing in Japan, as in other countries, not only as a means of high-speed transportation, but as a reserve force for national defence, which is highly significant at this time of unprecedented change in East Asia and international political and military strife.

With the establishment of a sound national policy for air transportation and the aviation industry becoming urgent, the Department of Communications has adopted a new policy for the readjustment and development of civil aviation and the development and extension of air routes in East Asia along the following lines:

- (1) Establishing and extending both domestic and international air routes.
- (2) Strengthening the aeroplane manufacturing industry.
- (3) Training civilian aviators and mechanics.
- (4) Construction and extension of facilities for aviation.

Establishment of New Routes and Extension of Old Ones

In the autumn of 1922, the Japan Aerial Transport Institute inaugurated the first air service in Japan between the city of Sakai, near Osaka, and the Island of Shikoku, in the Inland Sea. Hydroplanes were used. But it was not until 1929 that commercial air transportation worthy of the name was established by the Japan Air Transport Company with a line connecting Tokyo, Osaka and Fukuoka, and later between Fukuoka and Dairen.

Combined efforts of the Government and private enterprises during the 10 years that followed have brought tremendous improvements to civil aviation in Japan. Airways today virtually cover the Empire. Japan and Manchoukuo are connected, and regular lines operate between Tokyo and Dairen, Fukuoka and Taihoku, Tokyo and Sapporo, and Tokyo and Hsinking. Last October, Tokyo and Peking were linked, as were Fukuoka and Nanking, to meet the

acute demand for speedy communications between Japan and the occupied areas in China. With the inauguration of aerial service to the Asiatic mainland, a new epoch was born in the annals of Japanese aviation. Early this year, giant seaplanes went into service between Tokyo and Palau, thereby shortening the distance between Japan and the South Sea Mandated Islands from a two-week voyage to a two-day flight and laying a stepping-stone for the future extension of Japanese air routes to Australia, our great southern neighbour, and the islands of the Pacific.

The total mileage of airlines in Japan passed the 19,000-kilometre mark this year. The number of passengers and the volume of goods carried by air have increased accordingly.

The development of air services operated by the Japan Air Transport Company (now the Japan Airways Company) during the 10 years of its existence is traced as follows

DEVELOPMENT OF AIR SERVICE BY THE JAPAN
AIR TRANSPORT COMPANY, 1929-1939

Year April- March	Length of Route (In kilo- metres)	Number of Flights	Distance of Flights (In kilo- metres)	Passengers		Goods		Mail Matter	
				Number	Aggregate Distance	Volume (In kg.)	Ton- kilometre	Volume In kg.	Ton- kilometre
1929-30	2,375	2,358	1,020,500	2,755	1,104,610	2,444	1,029	8,594	3,415
1930-31	2,575	4,414	1,670,900	7,642	2,864,160	2,966	3,614	23,065	9,063
1931-32	2,575	4,867	1,755,230	6,766	2,357,615	32,414	11,626	40,871	14,143
1932-33	2,575	3,301	1,744,105	10,716	3,178,595	28,510	9,539	95,950	29,594
1933-34	2,575	3,224	1,715,400	10,992	3,180,495	28,049	9,541	119,560	66,520
1934-35	2,618	5,648	1,683,632	12,187	5,252,240	57,023	17,026	197,199	51,657
1935-36	4,228	5,846	1,833,056	10,822	2,876,432	67,497	19,367	263,960	80,627
1936-37	6,925	9,203	2,856,262	18,955	6,203,937	80,116	26,845	554,641	120,549
1937-38	10,506	16,270	5,126,385	47,342	17,012,760	248,607	122,059	591,158	242,423
1938-39	11,333	27,144	6,209,875	69,268	32,496,937	297,807	178,442	819,261	419,165

The company operated a total of nine air routes in 1936, adding four more in 1937 and still two more in 1938. The lines existing in 1936 and the subsequent extensions are as follows:

(April 1936 to March 1937)

Tokyo-Dairen, Osaka-Shanghai, Fukuoka-Taihoku, Tokyo-Nagata, Tokyo-Toyama-Osaka, Osaka Matsue, Osaka-Kōchi, Taihoku-Takao and Taihoku-Karenko.

(April 1937 to March 1938)

Tokyo-Dairen, Fukuoka-Taihoku, Tokyo-Nagata, Tokyo-Toyama-Osaka, Osaka Matsue, Osaka-Kōchi, Taihoku-Tainan, Taihoku-Karenko, Tainan-Bakō, Tokyo-Sapporo, Tokyo-Hsin-king, Keijo (Seoul)-Dairen, and Tokyo-Nagoya-Osaka.

(April 1938 to March 1939)

Taihoku-Tainan and Taihoku-Karenko services in Formosa were added to the new Round Island Route and new routes were opened between Tokyo and Peking, Fukuoka and Nanking and Keijo and Seishin.

The above table reveals that the length of airlines operated by the Japan Airways Company today are six times the length of routes existing during the first year of the company's existence 10 years ago, the number of passengers carried have increased by 25 times, the volume of goods hauled has been multiplied by 120, and mail matter conveyed has increased 95 times.

With the unexpected spread of the China Affair to its present magnitude, embracing the length and breadth of China, and the consequent advance of economic reconstruction in East Asia, it has become of paramount importance to promote aviation on the Asiatic Continent through the systematic extension, unification and control of the air routes over the three sister countries of Japan, Manchoukuo and China.

With the expansion of the Chinese areas under Japanese influence, foreign aviation companies such as the China National Aviation Corporation, backed by American interests, and the German Eurasia Aviation Corporation have been obliged to narrow their range of operation.

The China Aviation Company was established under joint Chinese and Japanese capitalization in December, 1938, with the former Huitung Company as its nucleus. Two months before, the Japan Airways Company had opened new routes to China, as mentioned above. Measures now are pending for increasing the capitalization and expanding the facilities of the new China Aviation Company.

Despite the noteworthy progress of the past few years, the management of aviation companies has encountered difficulties such as huge expenditures for costly planes, equipment and fuel, making it hard to carry on business with profits. Yet in view of the importance of aviation in the national progress of Japan, especially at this moment, it must be pushed to even greater development. Consequently, full recognition has been given the necessity of national measures to promote civil aviation, which hitherto has been left in the hands of private enterprises. The establishment of a national corporation called the Japan Airways Company (Dai Nippon Kōkū Kabushiki Kaisha) through the merger of the Japan Air Transport Company and the International Air Transportation Company, has been the first step in this direction.

The Government early this year submitted the Bill for the Establishment of the Japan Airways Company to the 74th session of the Imperial Diet. Following its enactment, the Japan Airways Company Law was promulgated in April and was put into force in May, 1939.

Under provisions of the Law, the present capitalization of the company, which is 25,500,000 yen, will be increased to 1,000,000,000 yen. As a national corporation, it will be put under the protection and direct control of the Government, and not only will monopolize the air transportation of Japan but also will concern itself with the financing and development of aviation companies on the Asiatic Continent, including the Manchukuo Aeronautical Company, a national corporation of Manchoukuo, and the China Aviation Company.

The Japan Airways Company's expansion programme envisages the improvement and strengthening of air transportation facilities for the existing Tokyo-Hsinking line, the inauguration of a new Tokyo-Hsinking direct line, stabilization of the new service between Japan and the South Sea Mandated Islands, and the establishment of a Japan-South China route. The future linking of Japan with American and European countries also is being considered.

Encouragement and Promotion of the Aircraft Manufacturing Industry

The aircraft manufacturing industry has not kept abreast of the progress made by other Powers. Improvement in the technique of aircraft manufacture, enlargement of the productive capacity of aircraft factories and improved training for specialists and mechanics are keenly demanded in order to raise the standards of the industry in Japan to the level of those in the most advanced countries. In order that a greater supply of superior aircraft may be manufactured without excessive cost, the Aircraft Manufacturing Industry Law was promulgated last year. Under its provisions, the Government is authorized to give proper protection and encouragement to aircraft manufacturers, at the same time effecting systematic control over them.

The Aircraft Manufacturing Industry Law prescribes a licence system for the manufacture of aircraft, engines and propellers, designed to prevent an excessive increase in competitive factories. It also authorizes the Government to award various privileges and protective measures to these manufacturers, and includes several State orders necessary for national defence and public interest. At present a total of 14 companies are authorized to make aircraft and

accessories thereof under the Law¹. But the productive power of these companies is far short of the present and prospective demand. Therefore, to assure the attainment of the proposed programme for the development of aviation, effective measures must be worked out immediately for the expansion of production facilities in existing factories and to encourage the establishment of new companies.

The China Affair has given great impetus to aircraft manufacturing in the country. The industry has been handicapped from the start to a certain extent, however, and is not yet totally independent of the influence of Western countries. The types of aeroplanes and engines mostly follow foreign models, and many of them are manufactured under foreign patents, involving the payment of large royalties to patent holders abroad. The present ability of Japanese aircraft manufacturers and the productive capacity of their factories are somewhat insufficient to meet the ever-increasing demand for superior planes in great numbers.

Established in Japan at present are the Army Aeronautical Institute, the Naval Aviation Arsenal and the Aeronautical Institute, Tokyo Imperial University, for research and investigation in the special science and practical art of aviation. These institutes are making valuable contributions to their respective spheres of activity. But there as yet has been no institution specially established for scientific research, both fundamental and practical, to lay technical foundations for the aircraft manufacturing industry.

The Committee for the Establishment of a Central Aeronautical Institute, therefore, has been organized, including as its members competent authorities and experts in aviation manufacture. In accordance with the final recommendations of the Commission, the Government has decided to establish the Central Aeronautical Institute, to carry out an exhaustive five-year research programme at a cost of 30,000,000 yen. The Institute came into being on April 1st, 1939, as an establishment under the jurisdiction of the Department of Communications. The Institute at present is concerned with investigations looking toward (a) the manufacture of high-speed aircraft, (b) large-sized passenger planes, and (c) the possibility of greater production of superior aeroplanes. The installation of all equipment necessary for such thorough and specialized research is now being carried out.

¹ The Board of Aviation announced in August that it had extended permission to the Kanegafuchi Spinning Company, largest spinning concern in East Asia, to establish the 13th aircraft manufacturing company. The new concern is to be capitalized at 30,000,000 yen and will be known as the Kokusai Kogyo Kabushiki Kaisha (International Industry Company, Limited).

Training of Aviators and Mechanics

Equally important as programme for improving the aircraft manufacturing industry is the need for proper training of aviators and mechanics. Skilled flying personnel is required for the sound development of civil air transportation and for reserve defence requirements. Hitherto the work of the Board of Aviation in training pilots and mechanics has been rather lax, and only a small number of young men was sent to military schools for training as pilots and mechanics. But the execution of the proposed programme for the development of civil aviation in Japan requires the institution of a fundamental measure for better and more thorough training of more future aviators. To carry out this part of the programme, the Government has established central and local institutes which are under the direct management of the Board of Aviation. In these institutions, young men will be trained thoroughly as pilots and mechanics, the number of students being restricted to the actual need for the year, so there will be no graduates out of work. At the same time, a fixed number of civilian aviators and mechanics will be held in reserve for times of emergency.

The local training institutes will be established at five important points in Japan proper during the 1938-39 fiscal year and in five more places in the 1939-40 fiscal year. Additional schools will be established as needed. Students will be trained under courses of study similar to those in the class A technical schools. They will be graduated either as pilots, mechanics or technicians, to enter directly into commercial aviation or the aircraft manufacturing industry and as a reserve force for national defence.

The Central Institute for Aviators will be established at Matsudo, Chiba Prefecture, for the purpose of training professional aviators for immediate service with regular air transportation companies, and also for training instructors for the local institutes. Fifty graduates of the local institutes will be selected annually to finish their training in the central institute. The institute will begin to function normally in 1940, following two years of preparation. As it is self-evident that several years will pass before the first students are graduated from this institute, training will continue in existing organs to supply the immediate need for aviation personnel.

Improvement and Extension of Aviation Facilities

Proper airport equipment, mechanical flying aids and safety devices naturally are indispensable requisites for the smooth opera-

tion of regular air lines. For instance, the improvement of weather observation and radio facilities is most important for the enhancement of safety and guiding pilots during stormy weather. The rôle played by the wireless in aviation is far more important than most people imagine. To enable aviators to follow an accurate course safely through darkness, rain and fog when visibility is reduced to inches, sensitive gauges and indicators in the planes, radio beams, light beacons along the route and special devices to facilitate blind landings must work together with hairline precision. The full installation of such equipment is indispensable. As night flying is essential to perfect the system of speedy transportation and communication, all routes to be covered at night must have beacons along the way as well as neon landmarks, signs to mark obstacles, lighted weather-vanes, searchlights and well-illuminated airports. Emergency landing fields between regular airports also are necessary.

For the installation of these facilities, the Government has exercised all possible efforts in recent years, and such equipment on the main air routes in Japan proper now are nearly adequate, so far as the present need is concerned. However, such equipment is not sufficient to cope with the situation created by the speeding up of flight and the appearance of huge transport planes. Several landing fields more than 1,000 metres in length are to be prepared for large passenger planes. Regular airports are to be extended in area to 300,000 tsubo.¹ The Government this year began the work of enlarging Gannosu Airport at Fukuoka, which serves as a hub for flights connecting Japan, Korea, Manchoukuo and China. At the same time, the improvement of the Haneda International Airport in Tokyo and the construction of the new Sunamachi aerodrome are being carried on. Authorities also are contemplating the construction of a number of new flying fields.

¹A Japanese unit of area equivalent to 36 square feet.

DOCUMENTS

I

STATEMENT OF THE PRIME MINISTER

September 4, 1939

In the face of the European war that has just broken out, Japan intends not to be involved therein : she will concentrate her efforts on the settlement of the China Affair.

II

STATEMENT OF THE GOVERNMENT CONCERNING NATIONAL POLICIES

September 13, 1939

The ceaseless efforts of the Government are being directed, on the basic principles of our national polity, toward the adjustment of foreign relations, the strengthening of national defence, assurance of the livelihood of the home front population and all other phases of the administration of State affairs.

The Government accordingly are determined especially to undertake the following in the immediate future, in view of the present serious situation :

1. With settlement of the China Affair as its pivotal policy, the Government intend to deal with complex and delicate international developments by firmly maintaining the independent position of the Empire and to strive steadfastly for the replenishment of armaments and the development of the fundamental strength of the nation. By concentrating domestic and external measures toward this end, the Government expect to establish the solidarity between Japan and Manchoukuo and to bring about new relations between Japan and China.

2. For the settlement of the China Affair, there exists an immutable policy which was decided on some time ago. In view of the declining influence of the Chiang Kai-shek régime, and in consideration of the establishment of a new central Government in China in the not distant future, the Government will render positive

assistance in the establishment of the new régime and will further endeavour to bring about a complete settlement of the China Affair through proper and timely steps.

3. In the light of the recent international tension, the Government will speed the execution of plans for the expansion of productive power, in order to achieve self-sufficiency in materials vital for national defence, and at the same time will strengthen and adjust the organization pertaining to foreign trade to meet the new circumstances.

With regard to the expansion of productive power and various other economic undertakings, the Government intend to formulate a comprehensive programme covering Japan, Manchoukuo and China, and to effect its smooth execution.

4. The Government plan to achieve the speedy adjustment and strengthening of the national general mobilization structure, to create a system for guiding and steering the course of general mobilization and effect complete mobilization of materials, thorough price control and the adjustment of the supply and demand of labour.

5. The Government intend to take appropriate measures for the renovation of their administrative machinery, the civil service system and other institutions, and also for improvement in the manner of their operation, in consideration of the fact that the practical enforcement of the principle of cooperation between the Government and the people in all matters relating to national administration, the assurance of closer relations and collaboration among various Government agencies and the swift and orderly dispatch of business are urgent requirements at this time.

III

STATEMENT OF THE FOREIGN OFFICE SPOKESMAN

September 16, 1939

The Japanese Government have been exerting their efforts toward a settlement of various pending questions between Japan and the Soviet Union. Both the Governments of Japan and the Soviet Union have recognized that a solution of the dispute in the district of Nomonhan, along the boundary between Manchoukuo and Outer Mongolia, would dispel the unpleasant atmosphere prevailing between the two countries, and would contribute toward the restoration of Japanese-Soviet relations to their normal status. Therefore

Mr. Shigenori Togo, Japanese Ambassador in Moscow, and Mr. Viacheslav Molotov, People's Commissar for Foreign Affairs, recently have held several conversations for this purpose. As a result of these interviews, an agreement for the cessation of hostilities has been concluded between the two countries on the 13th of September.

ORDINANCES RECENTLY PROMULGATED

SECRETARIATE OF THE CABINET

Organization of the Mariners' Training School

(Imperial Ordinance No. 458 of July 10, 1939)

Despite the need for improving the quality of mariners for promotion of the marine industry, there has been no well equipped institution for training junior class mariners. Absence of adequate facilities for improving their technical skill has been a matter of deep regret. The new Ordinance provides for organizing the Mariners' Training School as a systematic training institute, with a director and 28 instructors.

Organization of the Railway Traffic Investigation Commission

(Imperial Ordinance No. 470 of July 12, 1939)

As an organ authorized to investigate and make recommendations on important matters relative to the increase of transportation facilities of the Tokaido Main Line and the Sanyo Main Line, in view of an overwhelming increase of passenger and freight traffic on these lines, this Commission has been organized with 2 president (the Minister of Railways), not more than 25 members, and other temporary members (to be appointed from among the senior officials of the Government offices concerned and those having expert knowledge).

Organization of the Military Protection Board

(Imperial Ordinance No. 479 of July 13, 1939)

This Ordinance abolishes the Ordinance Governing the Organization of the Board for Protection of Wounded Soldiers, and provides for the organization of the Military Protection Board.

Organization of the Commission for Promotion of Export Art Goods

(Imperial Ordinance No. 478 of July 20, 1939)

This Commission has been organized as an organ authorized to investigate and make recommendations on important matters relative

to promotion of export art goods. Under the jurisdiction of the Minister of Commerce and Industry, the Commission is to be composed of a president (the Minister of Commerce and Industry), not more than 20 members, and temporary members. The members are to be appointed from among the senior officials of the Government offices concerned and those having expert knowledge, the usual term of the members in the latter capacity being two years. The Commission on Industrial Arts, which has been acting as the organ for examining exhibits for polytechnical expositions has been abolished by this new Ordinance.

**Organization of the Commission for Investigation of Medium
and Small Industries**

(Imperial Ordinance No. 488 of July 22, 1939)

Medium and small scale enterprises engaged in forestry, fishing, commerce and industry constitute a vital element of the nation and a source of national wealth. In securing the permanent foundation of the country and in promoting national prosperity, it is most urgent to maintain and encourage these medium and small industries at present, when controlled economy is enforced throughout the country. In order to investigate and deliberate on important matters relative to their maintenance and encouragement, referred to by the competent Ministers, this Board has been organized under the supervision of the Prime Minister.

**Organization of the Temporary Council on Japanese
Settlers in Manchuria**

(Imperial Ordinance No. 529 of Aug. 3, 1939)

In view of the prevailing conditions in East Asia, it is necessary to investigate and deliberate on urgent matters involved in order to establish a fundamental principle in sending settlers to Manchoukuo. This new Ordinance provides for organizing the Temporary Council on Japanese Settlers in Manchuria under the supervision of the Prime Minister. The Council is to be composed of a president (the Prime Minister), two vice-presidents (the Minister of Overseas Affairs and the President of the Manchurian Affairs Board), and not more than 40 members. It is authorized to appoint temporary commissions, if necessary, for investigating and deliberating on special matters.

**Ordinance Concerning the Effective Date of Part of the Rice
Distribution Control Law**

(Imperial Ordinance No. 550 of August 9, 1939)

**Ordinance Concerning Operation of Part of the Rice Distribu-
tion Control Law**

(Imperial Ordinance No. 551 of August 9, 1939)

**Ordinance Concerning the Revision of Organization of the
Rice Control Commission**

(Imperial Ordinance No. 552 of August 9, 1939)

**Ordinance Concerning Organization of the Commission for the
Investigation of Rice Exchange Enterprise**

(Imperial Ordinance No. 553 of August 9, 1939)

Imperial Ordinance No. 550 provides for operation, from August 12, 1939, of the provisions of Article 4, Clause 1; Articles 31-36; Articles 41, 44, 48, 49; Article 50, Clause 1; Articles 52, 56 and 57 of the Rice Distribution Control Law. Imperial Ordinance No. 551 provides for rules for the operation of the Rice Distribution Control Law, designating the Minister of State under whose supervision the law is to be operated. Imperial Ordinance No. 552 provides for the revision of regulations concerning the authorized powers of the Rice Control Commission and for the setting up of subcommittees in order to enable the Commission to conduct investigations and deliberations as provided in Article 2 of Imperial Ordinance No. 551. Imperial Ordinance No. 553 provides for organization of the Commission for the Investigation of Rice Exchange Enterprise under the direct control of the Prime Minister, in accordance with Article 56 of The Rice Distribution Control Law, and Article 4, Clause 2 of Imperial Ordinance No. 551.

**Ordinance Concerning Partial Revision of the Provisions Per-
taining to Operation of The Income Tax Law**

(Imperial Ordinance No. 596 of August 19, 1939)

**Ordinance Concerning Partial Revision of the Provisions
Pertaining to Operation of The Business Profit Tax Law**

(Imperial Ordinance No. 397 of August 19, 1939)

These Ordinances provide for the addition of copper and 19 other items to the list of articles exempt from taxation for the protection and encouragement of manufacturers of stable products by lightening their burden of income and business profit taxes.

Organization of the Institute for Research in Population Problems

(Imperial Ordinance No. 603 of Aug. 25, 1939)

Revision of the Rank and Salary Regulations of Senior Officials

(Imperial Ordinance No. 604 of Aug. 25, 1939)

For the purpose of investigating various population problems in Japan, this Ordinance provides for organizing the Institute for Research in Population Problems, to be composed of a president (the Vice-Minister of Welfare *ex officio*), and 11 research directors. It also stipulates the rank and salary of these research directors.

**Revision of Ordinance Concerning Organization of the
Institute for Training People in Industrial Arts**

(Imperial Ordinance No. 613 of August 30, 1939)

The Ordinance provides for the establishment of the Osaka Branch of the Institute for Training People in Industrial Arts and consequent increase of personnel in the Institute with a view to improving *objets d'art* for export.

**Ordinance Concerning Appointment of Prefectural
Health Insurance Officials**

(Imperial Ordinance No. 620 of August 30, 1939)

This Ordinance provides for the appointment of physicians for service in connection with the State health insurance system as regular officials in local governments in order to improve and readjust the medical administration of the state health insurance system

and to give better medical advice to the insured by thus strengthening the function of the medical consultation stations operated under the system.

**Ordinance Concerning the Promotion of Scientific Researches
Required by the National General Mobilization Programme**

(Imperial Ordinance No. 623 of August 30, 1939)

In view of the necessity of inventing substitutes for deficient industrial resources, Imperial Ordinance No. 623 provides for the mobilization of scientists and technicians engaged in the production and repair of mobilized goods or in the management of private laboratories, for scientific researches as required by the national general mobilization programme. The Ordinance came into force on September 5, 1939.

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